



DEPARTMENT OF COMMERCE

International Trade Administration

[C-351-504]

Heavy Iron Construction Castings from Brazil: Final Results of the Expedited Fifth Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: As a result of this expedited sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty order (CVD) on heavy iron construction castings (iron castings) from Brazil would be likely to lead to continuation or recurrence of countervailable subsidies at the levels as indicated in the “Final Results of Sunset Review” section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Jolanta Lawska, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-8362.

SUPPLEMENTARY INFORMATION:

Background

On May 15, 1986, Commerce published in *Federal Register* the CVD order on iron castings from Brazil.¹ On December 1, 2021, Commerce published the notice of initiation of the expedited fifth sunset review of the *Order*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² On December 16, 2021, Commerce received a notice of intent to participate from D&L Foundry, Inc., EJ USA, Inc., Neenah Foundry Company, and U.S.

¹ See *Countervailing Duty Order; Certain Heavy Iron Construction Casting from Brazil*, 51 FR 17786 (May 15, 1986) (*Order*).

² See *Initiation of Five-Year (Sunset) Reviews*, 86 FR 68220 (December 1, 2021) (*Initiation Notice*).

Foundry & Manufacturing Corporation (collectively, “domestic interested parties”), within the deadline specified in 19 CFR 351.218(d)(1)(i).³ Each of these companies claimed interested party status under section 771(9)(C) of the Act, as a domestic producer of the domestic like product.⁴ On December 30, 2021, Commerce received a substantive response and notice of intent to participate from the Government of Brazil (GBR) within the deadline specified in 19 CFR 351.218(d)(3)(i).⁵

On December 31, 2021, Commerce also received a substantive response to the *Notice of Initiation* from the domestic interested parties within the deadline specified in 19 CFR 351.218(d)(3)(i).⁶ Commerce did not receive any substantive response from a producer or exporter of subject merchandise in Brazil. On January 10, 2022, the domestic interested parties filed rebuttal comments in response to the GBR’s substantive response.⁷ On January 20, 2022, Commerce notified the U.S. International Trade Commission that it did not receive a substantive response from respondent interested parties.⁸ As a result, Commerce has conducted an expedited (120-day) sunset review of the *Order*, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2).

Scope of the *Order*⁹

The products covered by the *Order* are certain heavy iron construction castings from Brazil, limited to manhole covers, rings, and frames, catch basin grates and frames, cleanout covers and frames used for drainage or access purposes for public utility, water and sanitary systems, classifiable as heavy castings under Harmonized Tariff Schedule (HTS) item numbers

³ See Petitioners’ Letter, “Five Year (“Sunset”) Review of the Countervailing Duty Order on Heavy Iron Construction Castings from Brazil – Domestic Interested Parties’ Notice of Intent to Participate,” dated December 16, 2021.

⁴ *Id.* at 3.

⁵ See GBR’s Letter, “Iron Construction Castings. Sunset Review. Initial Comments,” dated December 30, 2021.

⁶ See Petitioners’ Letter, “Five Year (“Sunset”) Review of the Countervailing Duty Order on Heavy Iron Construction Castings from Brazil – Domestic Interested Parties’ Substantive Response,” dated December 31, 2021.

⁷ See Petitioners’ Letter, “Five Year (“Sunset”) Review of the Countervailing Duty Order on Heavy Iron Construction Castings from Brazil – Domestic Interested Parties’ Comments in Rebuttal to the Government of Brazil’s Substantive Response,” dated January 10, 2022.

⁸ See Commerce’s Letter, “Sunset Reviews Initiated on December 1, 2021,” dated January 20, 2022.

⁹ The scope language contained in prior sunset proceedings for the *Order* has varied. For clarity, Commerce intends to use the scope listed above in all future proceedings involving the *Order*.

7325.10.0010, 7325.10.0020, and 7325.10.0025. Subject merchandise may also enter under 7325.99.1000. The HTS item numbers are provided for convenience and Customs purposes only. The written description remains dispositive.

Analysis of Comments Received

A complete discussion of all issues raised in this sunset review, including the likelihood of continuation or recurrence of subsidization in the event of revocation of the *Order* and the countervailable subsidy rates likely to prevail if the *Order* were to be revoked, is provided in the Issues and Decision Memorandum.¹⁰ A list of the topics discussed in the Issues and Decision Memorandum is attached as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, we determine that revocation of the *Order* would be likely to lead to continuation or recurrence of a countervailable subsidy at the rate listed below:

Exporter/Producer	Subsidy Rate (percent)
Country-Wide Rate	1.06 <i>Ad Valorem</i>

Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information

¹⁰ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited Fifth Sunset Review of the Countervailing Duty Order on Heavy Iron Construction Castings from Brazil," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

Commerce is issuing and publishing these final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: March 28, 2022.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. History of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
 - 1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
 - 2. Net Countervailable Subsidy Rate Likely to Prevail
 - 3. Nature of the Subsidy
- VII. Final Results of Review
- VIII. Recommendation

[FR Doc. 2022-07002 Filed: 4/1/2022 8:45 am; Publication Date: 4/4/2022]